

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Robert G. Taub, Chairman;  
Mark Acton, Vice Chairman;  
Tony Hammond; and  
Nanci E. Langley

Competitive Product Prices  
Global Plus 1D (CP2016-193)  
Negotiated Service Agreement

Docket No. CP2016-200

ORDER APPROVING MODIFICATION TO  
GLOBAL PLUS 1D NEGOTIATED SERVICE AGREEMENT

(Issued June 8, 2017)

I. INTRODUCTION

The Postal Service seeks to modify a Global Plus 1D negotiated service agreement.<sup>1</sup> For the reasons discussed below, the Commission approves the Modification.

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<sup>1</sup> Notice of the United States Postal Service of Filing Modification to Global Plus 1D Negotiated Service Agreement, June 7, 2017 (Notice). The modification is an attachment to the Notice (Modification).

In Order No. 3402, the Commission approved the Global Plus 1D negotiated service agreement (Existing Agreement).<sup>2</sup> On June 7, 2017, the Postal Service filed notice that it has agreed to the Modification to the Existing Agreement.

## II. COMMISSION ANALYSIS

The Commission has reviewed the Notice and the accompanying materials filed under seal.

*Cost considerations.* The Commission reviews competitive product prices to ensure that each product covers its attributable costs, does not cause market dominant products to subsidize competitive products, and contributes to the Postal Service's institutional costs. 39 U.S.C. § 3633(a); 39 C.F.R. §§ 3015.5 and 3015.7. As long as the revenue generated by the product exceeds its attributable costs, the product is unlikely to reduce the contribution of competitive products as a whole or to adversely affect the ability of competitive products as a whole to contribute an appropriate share of institutional costs. In other words, if a product covers its attributable costs, it is likely to comply with 39 U.S.C. § 3633(a).

The Existing Agreement expires on June 30, 2017. Notice at 1. The Modification revises the Existing Agreement so that it will remain in effect until August 15, 2017. *Id.*

The Modification does not materially affect the underlying financial analysis of the Existing Agreement. Thus, the Commission finds that the Existing Agreement, as modified, comports with the provisions applicable to rates for competitive products in 39 U.S.C. § 3633(a) and 39 C.F.R. § 3015.7.

*Other considerations.* The Existing Agreement, as modified, is set to expire on August 15, 2017, unless terminated sooner. *Id.* Attachment 1 at 1. If the Existing Agreement, as modified, is terminated prior to the scheduled expiration date, the Postal Service shall promptly notify the Commission.

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<sup>2</sup> See Docket No. CP2016-194, *et al.*, Order Approving Additional Global Plus 1D Negotiated Service Agreements, June 30, 2016 (Order No. 3402).

In conclusion, the Commission approves the Existing Agreement, as modified.

### III. ORDERING PARAGRAPHS

*It is ordered:*

1. The Commission approves the Global Plus 1D negotiated service agreement, as modified.
2. The Postal Service shall notify the Commission if the Existing Agreement, as modified, terminates prior to the scheduled expiration date.

By the Commission.

Stacy L. Ruble  
Secretary